

Senate File 2315

H-8500

1 Amend the amendment, H-8413, to Senate File 2315,
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 8, by striking lines 25 through 34 and
5 inserting:
6 <b. (1) The director of human services shall
7 exempt a county from being required to enter into
8 a regional service system if the county furnishes
9 evidence that the county complies with the requirements
10 in subsection 3, paragraphs "d", "e", "f", and "g", and
11 is able to provide the core services required by law
12 to the county's residents in a manner that is as cost
13 effective and with outcomes that are at least equal to
14 what could be provided to the residents if the county
15 would provide the services through a regional service
16 system. The director shall identify criteria for
17 evaluating the evidence provided by counties applying
18 for the exemption. The criteria identified shall be
19 specified in rule adopted by the state commission.
20 (2) To be considered for an exemption under
21 subparagraph (1), a county must file a written
22 statement of intent to apply for an exemption with the
23 department on or before May 1, 2013, and the county's
24 exemption application must be filed with the department
25 on or before June 30, 2013. The director of human
26 services shall issue a decision on the application
27 within forty-five days of receiving the application.
28 This subparagraph is repealed July 1, 2013.>
29 2. Page 12, after line 15 by inserting:
30 <____. Page 34, after line 31 by inserting:
31 <Sec. _____. EMERGENCY RULES. The mental health and
32 disability services commission may adopt administrative
33 rules under section 17A.4, subsection 3, and section
34 17A.5, subsection 2, paragraph "b", to implement
35 the provisions of this division of this Act enacting
36 section 331.438B, that relate to criteria for
37 evaluation of an application for an exemption from
38 regionalization, and the rules shall become effective
39 immediately upon filing or on a later effective date
40 specified in the rules, unless the effective date is
41 delayed by the administrative rules review committee.
42 Any rules adopted in accordance with this section
43 shall not take effect before the rules are reviewed
44 by the administrative rules review committee. The
45 delay authority provided to the administrative rules
46 review committee under section 17A.4, subsection 7, and
47 section 17A.8, subsection 9, shall be applicable to a
48 delay imposed under this section, notwithstanding a
49 provision in those sections making them inapplicable
50 to section 17A.5, subsection 2, paragraph "b". Any

1 rules adopted in accordance with the provisions of this
2 section shall also be published as notice of intended
3 action as provided in section 17A.4.>>

4 3. Page 17, after line 24 by inserting:
5 <____. By striking page 68, line 17, through page
6 71, line 34.>

7 4. Page 20, before line 50 by inserting:

8 <____. Page 74, after line 13 by inserting:
9 <MENTAL HEALTH AND DISABILITY SERVICES REDESIGN
10 FUNDING FOR FY 2012-2013

11 Sec. _____. MENTAL HEALTH AND DISABILITY SERVICES
12 REDESIGN. There is appropriated from the general fund
13 of the state to the department of human services for
14 the fiscal year beginning July 1, 2012, and ending June
15 30, 2013, the following amount, or so much thereof as
16 is necessary, to be used for the purposes designated:
17 To be credited to the mental health and disability
18 services redesign fund created in this division of this
19 Act:

20 \$ 41,736,918

21 Sec. _____. REPLACEMENT GENERATION TAX REVENUES —
22 LEVY RATES FOR FY 2012-2013.

23 1. a. For the fiscal year beginning July 1, 2012,
24 and ending June 30, 2013, the replacement generation
25 tax revenues required to be deposited in the property
26 tax relief fund pursuant to section 437A.8, subsection
27 4, paragraph "d", and section 437A.15, subsection 3,
28 paragraph "f", shall instead be credited to the mental
29 health and disability services redesign fund created in
30 this division of this Act.

31 b. If this section of this division of this Act is
32 enacted after the department of management has reduced
33 county certified budgets and revised rates of taxation
34 pursuant to section 426B.2, subsection 3, paragraph
35 "b", to reflect anticipated replacement generation tax
36 revenues, and the enactment date is during the period
37 beginning May 1, 2012, and ending June 30, 2012, the
38 reductions and revisions shall be rescinded and the
39 department of management shall expeditiously report
40 that fact to the county auditors.

41 2. Except as otherwise provided in subsection 1
42 for department of management reductions of certified
43 budgets and revisions of tax rates and rescinding
44 of those reductions and revisions, the budgets and
45 tax rates certified for a county services fund under
46 section 331.424A, for the fiscal year beginning July 1,
47 2012, shall remain in effect, notwithstanding section
48 426B.3, subsection 1, the property tax relief fund
49 payment and other services fund financing changes
50 made in this division of this Act, or other statutory

1 amendments affecting county services funds for the
2 fiscal year to the contrary.

3 Sec. _____. MENTAL HEALTH AND DISABILITY SERVICES
4 REDESIGN FUND — FY 2012-2013.

5 1. A mental health and disability services redesign
6 fund is created in the state treasury on the effective
7 date of this section to be used as provided in this
8 section for the fiscal year beginning July 1, 2012,
9 and ending June 30, 2013. The redesign fund is under
10 the control of the department of human services.

11 Moneys remaining in the redesign fund at the close
12 of the fiscal year beginning July 1, 2012, shall
13 be transferred to the mental health and disability
14 regional services fund created in section 225C.7A.

15 2. Moneys available in the mental health and
16 disability services redesign fund created in this
17 section, are appropriated to the department of human
18 services for the fiscal year beginning July 1, 2012,
19 and ending June 30, 2013, to be used as provided in
20 this section.

21 3. Moneys appropriated in this section shall be
22 used to pay the nonfederal share of medical assistance
23 program services costs that would be billed to
24 counties, if the amendments to sections 249A.12 and
25 249A.26 were not enacted by this division of this Act,
26 for the following services provided in the fiscal year
27 beginning July 1, 2012:

28 a. Habilitation.

29 b. Targeted case management.

30 c. Home-based and community-based services waiver
31 services for persons with intellectual disabilities and
32 brain injury.

33 d. Community-based intermediate care facilities for
34 persons with mental retardation (ICF/MR).

35 e. The state resource centers.

36 4. The nonfederal share of the medical assistance
37 services costs for the services specified in subsection
38 3 provided for the fiscal year beginning July 1, 2012,
39 shall be paid from the mental health and disability
40 services redesign fund and shall not be billed to
41 counties.

42 5. Of the funds appropriated in this section,
43 for the fiscal year beginning July 1, 2012, \$500,000
44 shall be used to implement the children's mental
45 health home project proposed by the department of
46 human services and reported to the general assembly's
47 mental health and disability services study committee
48 in December 2011. Of this amount up to \$50,000 may
49 be transferred by the department to the appropriation
50 made to the department for the fiscal year for general

1 administration to be used for associated administrative
2 expenses and for not more than one full-time equivalent
3 position, in addition to those authorized for the
4 fiscal year, to be assigned to implementing the
5 project.

6 6. Of the funds appropriated in this section, up to
7 \$400,000 may be transferred by the department to the
8 appropriation made to the department for the fiscal
9 year for general administration to support redesign
10 and balancing incentive planning and implementation
11 activities. The funds may be used for contracts or for
12 personnel in addition to the amounts appropriated for
13 and the positions authorized for general administration
14 for the fiscal year.

15 7. Of the funds appropriated in this section, up to
16 \$3,000,000 may be transferred by the department to the
17 appropriations made to the department for the fiscal
18 year for general administration or medical contracts to
19 be used to support the development and implementation
20 of standardized assessment tools for persons with
21 mental illness, an intellectual disability, a
22 developmental disability, or a brain injury.

23 Sec. _____. Section 249A.12, Code 2011, is amended to
24 read as follows:

25 **249A.12 Assistance to persons with mental**
26 **retardation — state cases.**

27 1. Assistance may be furnished under this chapter
28 to an otherwise eligible recipient who is a resident of
29 a health care facility licensed under chapter 135C and
30 certified as an intermediate care facility for persons
31 with mental retardation.

32 ~~2. A county shall reimburse the department on~~
33 ~~a monthly basis for that portion of the cost of~~
34 ~~assistance provided under this section to a recipient~~
35 ~~with legal settlement in the county, which is not paid~~
36 ~~from federal funds, if the recipient's placement has~~
37 ~~been approved by the appropriate review organization as~~
38 ~~medically necessary and appropriate. The department's~~
39 ~~goal for the maximum time period for submission of a~~
40 ~~claim to a county is not more than sixty days following~~
41 ~~the submission of the claim by the provider of the~~
42 ~~service to the department. The department's goal~~
43 ~~for completion and crediting of a county for cost~~
44 ~~settlement for the actual costs of a service under a~~
45 ~~home and community-based services waiver is within two~~
46 ~~hundred seventy days of the close of a fiscal year~~
47 ~~for which cost reports are due from providers. The~~
48 ~~department shall place all reimbursements from counties~~
49 ~~in the appropriation for medical assistance, and may~~
50 ~~use the reimbursed funds in the same manner and for~~

1 ~~any purpose for which the appropriation for medical~~
2 ~~assistance may be used.~~

3 ~~3.~~ 2. If a county ~~reimburses~~ reimbursed the
4 department for medical assistance provided under
5 this section, Code 2011, and the amount of medical
6 assistance is subsequently repaid through a medical
7 assistance income trust or a medical assistance
8 special needs trust as defined in section 633C.1,
9 the department shall reimburse the county on a
10 proportionate basis. The department shall adopt rules
11 to implement this subsection.

12 ~~4.~~ 3. *a.* Effective July 1, 1995, the state shall
13 be responsible for all of the nonfederal share of the
14 costs of intermediate care facility for persons with
15 mental retardation services provided under medical
16 assistance to minors. Notwithstanding ~~subsection 2~~
17 ~~and~~ contrary provisions of section 222.73, Code 2011,
18 effective July 1, 1995, a county is not required to
19 reimburse the department and shall not be billed for
20 the nonfederal share of the costs of such services
21 provided to minors.

22 *b.* The state shall be responsible for all of
23 the nonfederal share of medical assistance home
24 and community-based services waivers for persons
25 with intellectual disabilities services provided to
26 minors, and a county is not required to reimburse the
27 department and shall not be billed for the nonfederal
28 share of the costs of the services.

29 *c.* Effective February 1, 2002, the state shall
30 be responsible for all of the nonfederal share of
31 the costs of intermediate care facility for persons
32 with mental retardation services provided under
33 medical assistance attributable to the assessment
34 fee for intermediate care facilities for individuals
35 with mental retardation imposed pursuant to section
36 249A.21. ~~Notwithstanding subsection 2, effective~~
37 Effective February 1, 2003, a county is not required
38 to reimburse the department and shall not be billed
39 for the nonfederal share of the costs of such services
40 attributable to the assessment fee.

41 ~~5.~~ 4. *a.* The mental health and disability
42 services commission shall recommend to the department
43 the actions necessary to assist in the transition
44 of individuals being served in an intermediate care
45 facility for persons with mental retardation, who are
46 appropriate for the transition, to services funded
47 under a medical assistance home and community-based
48 services waiver for persons with intellectual
49 disabilities in a manner which maximizes the use of
50 existing public and private facilities. The actions

1 may include but are not limited to submitting any of
2 the following or a combination of any of the following
3 as a request for a revision of the medical assistance
4 home and community-based services waiver for persons
5 with intellectual disabilities:

6 (1) Allow for the transition of intermediate care
7 facilities for persons with mental retardation licensed
8 under chapter 135C, to services funded under the
9 medical assistance home and community-based services
10 waiver for persons with intellectual disabilities. The
11 request shall be for inclusion of additional persons
12 under the waiver associated with the transition.

13 (2) Allow for reimbursement under the waiver for
14 day program or other service costs.

15 (3) Allow for exception provisions in which an
16 intermediate care facility for persons with mental
17 retardation which does not meet size and other
18 facility-related requirements under the waiver in
19 effect on June 30, 1996, may convert to a waiver
20 service for a set period of time such as five years.
21 Following the set period of time, the facility would
22 be subject to the waiver requirements applicable to
23 services which were not operating under the exception
24 provisions.

25 b. In implementing the provisions of this
26 subsection, the mental health and disability services
27 commission shall consult with other states. The waiver
28 revision request or other action necessary to assist in
29 the transition of service provision from intermediate
30 care facilities for persons with mental retardation
31 to alternative programs shall be implemented by the
32 department in a manner that can appropriately meet
33 the needs of individuals at an overall lower cost to
34 counties, the federal government, and the state. In
35 addition, the department shall take into consideration
36 significant federal changes to the medical assistance
37 program in formulating the department's actions under
38 this subsection. The department shall consult with the
39 mental health and disability services commission in
40 adopting rules for oversight of facilities converted
41 pursuant to this subsection. A transition approach
42 described in paragraph "a" may be modified as necessary
43 to obtain federal waiver approval.

44 ~~6.~~ 5. a. The provisions of the home and
45 community-based services waiver for persons with
46 intellectual disabilities shall include adult day
47 care, prevocational, and transportation services.
48 Transportation shall be included as a separately
49 payable service.

50 b. The department of human services shall seek

1 federal approval to amend the home and community-based
2 services waiver for persons with intellectual
3 disabilities to include day habilitation services.
4 Inclusion of day habilitation services in the waiver
5 shall take effect upon receipt of federal approval.

6 ~~c. The person's county of legal settlement shall~~
7 ~~pay for the nonfederal share of the cost of services~~
8 ~~provided under the waiver, and the state shall pay for~~
9 ~~the nonfederal share of such costs if the person has no~~
10 ~~legal settlement or the legal settlement is unknown so~~
11 ~~that the person is deemed to be a state case.~~

12 ~~d. The county of legal settlement shall pay for one~~
13 ~~hundred percent of the nonfederal share of the costs~~
14 ~~of care provided for adults which is reimbursed under~~
15 ~~a home and community-based services waiver that would~~
16 ~~otherwise be approved for provision in an intermediate~~
17 ~~care facility for persons with mental retardation~~
18 ~~provided under the medical assistance program.~~

19 7. 6. When paying the necessary and legal expenses
20 for intermediate care facility for persons with mental
21 retardation services, the cost requirements of section
22 222.60 shall be considered fulfilled when payment is
23 made in accordance with the medical assistance payment
24 rates established by the department for intermediate
25 care facilities for persons with mental retardation,
26 and the state ~~or a county of legal settlement~~ shall not
27 be obligated for any amount in excess of the rates.

28 ~~8. 7. If a person with mental retardation has no~~
29 ~~legal settlement or the legal settlement is unknown~~
30 ~~so that the person is deemed to be a state case and~~
31 ~~services associated with the mental retardation~~
32 ~~can be covered under a medical assistance home and~~
33 ~~community-based services waiver or other medical~~
34 ~~assistance program provision, the nonfederal share of~~
35 ~~the medical assistance program costs for such coverage~~
36 ~~shall be paid from the appropriation made for the~~
37 ~~medical assistance program.~~

38 Sec. _____. Section 249A.26, subsection 2, Code 2011,
39 is amended to read as follows:

40 2. a. Except as provided for disallowed costs
41 in section 249A.27, the county of legal settlement
42 ~~shall pay for fifty percent of the nonfederal share~~
43 ~~of the cost and the state shall have responsibility~~
44 ~~for the remaining fifty~~ pay one hundred percent of
45 the nonfederal share of the cost of case management
46 provided to adults, day treatment, and partial
47 hospitalization provided under the medical assistance
48 program for persons with mental retardation, a
49 developmental disability, or chronic mental illness.
50 For purposes of this section, persons with mental

1 disorders resulting from Alzheimer's disease or
2 ~~substance abuse a substance-related disorder shall~~
3 ~~not be considered chronically mentally ill to be~~
4 ~~persons with chronic mental illness. To the maximum~~
5 ~~extent allowed under federal law and regulations,~~
6 ~~the department shall consult with and inform a county~~
7 ~~of legal settlement's central point of coordination~~
8 ~~process, as defined in section 331.440, regarding the~~
9 ~~necessity for and the provision of any service for~~
10 ~~which the county is required to provide reimbursement~~
11 ~~under this subsection.~~

12 b. The state shall pay for one hundred percent
13 of the nonfederal share of the costs of case
14 management provided for adults, day treatment, partial
15 hospitalization, and the home and community-based
16 services waiver services for persons who have no
17 ~~legal settlement residence in this state or the legal~~
18 ~~settlement whose residence is unknown so that the~~
19 persons are deemed to be state cases.

20 c. The case management services specified in this
21 subsection shall be paid for by a county only if
22 the services are provided outside of a managed care
23 contract.

24 Sec. _____. Section 249A.26, subsections 3, 4, 7, and
25 8, Code 2011, are amended to read as follows:

26 3. ~~To the maximum extent allowed under federal law~~
27 ~~and regulations, a person with mental illness or mental~~
28 ~~retardation shall not be eligible for any service which~~
29 ~~is funded in whole or in part by a county share of the~~
30 ~~nonfederal portion of medical assistance funds unless~~
31 ~~the person is referred through the central point of~~
32 ~~coordination process, as defined in section 331.440.~~
33 ~~However, to the extent federal law allows referral of~~
34 ~~a medical assistance recipient to a service without~~
35 ~~approval of the central point of coordination process,~~
36 ~~the county of legal settlement shall be billed for the~~
37 ~~nonfederal share of costs for any adult person for whom~~
38 ~~the county would otherwise be responsible.~~

39 4. ~~The county of legal settlement state shall pay~~
40 ~~for one hundred percent of the nonfederal share of the~~
41 ~~cost of services provided to adult persons with chronic~~
42 ~~mental illness who qualify for habilitation services~~
43 ~~in accordance with the rules adopted for the services.~~
44 ~~The state shall pay for one hundred percent of the~~
45 ~~nonfederal share of the cost of such services provided~~
46 ~~to such persons who have no legal settlement or the~~
47 ~~legal settlement is unknown so that the persons are~~
48 ~~deemed to be state cases.~~

49 7. ~~Unless a county has paid or is paying for the~~
50 ~~nonfederal share of the costs of a person's home and~~

1 ~~community-based waiver services or placement in an~~
2 ~~intermediate care facility for persons with mental~~
3 ~~retardation under the county's mental health, mental~~
4 ~~retardation, and developmental disabilities services~~
5 ~~fund, or unless a county of legal settlement would~~
6 ~~become liable for the costs of services for a person~~
7 ~~at the level of care provided in an intermediate~~
8 ~~care facility for persons with mental retardation due~~
9 ~~to the person reaching the age of majority, the~~ The
10 state shall pay for the nonfederal share of the costs
11 of an eligible person's services under the home and
12 community-based services waiver for persons with brain
13 injury.

14 8. If a dispute arises between different counties
15 or between the department and a county as to the
16 legal settlement of a person who ~~receives~~ received
17 medical assistance for which the nonfederal share ~~is~~
18 was payable in whole or in part by a county of legal
19 settlement in accordance with Code 2011, and cannot be
20 resolved by the parties, the dispute shall be resolved
21 as provided in section 225C.8, Code 2011.

22 Sec. _____. Section 445.5, subsection 1, paragraph
23 h, Code Supplement 2011, is amended by striking the
24 paragraph.

25 Sec. _____. 2011 Iowa Acts, chapter 129, section 43,
26 subsection 2, paragraphs d and e, are amended to read
27 as follows:

28 d. If moneys from a distribution made under this
29 subsection are not expended by a county by ~~November 1,~~
30 ~~2012 June 30, 2013~~, for services provided ~~prior to July~~
31 ~~1, 2012 by that date~~, the county shall reimburse the
32 unexpended moneys to the department by ~~November 30,~~
33 ~~2012 August 30, 2013~~, and the moneys reimbursed shall
34 be credited to the risk pool in the property tax relief
35 fund.

36 e. The risk pool board shall submit ~~a report~~
37 reports to the governor and general assembly on or
38 ~~before December 31, 2012 and 2013~~, regarding the
39 expenditure of funds distributed under this subsection.

40 Sec. _____. 2011 Iowa Acts, chapter 129, section 135,
41 is amended to read as follows:

42 SEC. 135. MI/MR/DD STATE CASES.

43 1. There is appropriated from the general fund of
44 the state to the department of human services for the
45 fiscal year beginning July 1, 2012, and ending June 30,
46 2013, the following amount, or so much thereof as is
47 necessary, to be used for the purpose designated:

48 ~~For distribution to counties for state case services~~
49 ~~for persons with mental illness, mental retardation,~~
50 ~~and developmental disabilities in accordance with~~

~~section 331.440 To be credited to the mental health and disability services redesign fund created by this division of this 2012 Act:~~

~~..... \$ 6,084,741
11,150,820~~

~~2. For the fiscal year beginning July 1, 2012, and ending June 30, 2013, \$100,000 is allocated for state case services from the amounts appropriated from the fund created in section 8.41 to the department of human services from the funds received from the federal government under 42 U.S.C. ch. 6A, subch. XVII, relating to the community mental health center block grant, for the federal fiscal years beginning October 1, 2010, and ending September 30, 2011, beginning October 1, 2011, and ending September 30, 2012, and beginning October 1, 2012, and ending September 30, 2013. The allocation made in this subsection shall be made prior to any other distribution allocation of the appropriated federal funds.~~

~~3. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.~~

~~Sec. ____ . 2011 Iowa Acts, chapter 129, section 136, is amended to read as follows:~~

~~SEC. 136. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES — COMMUNITY SERVICES FUND. There is appropriated from the general fund of the state to the mental health and developmental disabilities community services fund created in section 225C.7 department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:~~

~~For mental health and developmental disabilities community services in accordance with this division of this Act To be credited to the mental health and disability services redesign fund created by this division of this 2012 Act:~~

~~..... \$ 14,211,100~~

~~1. Of the funds appropriated in this section, \$14,187,556 shall be allocated to counties for funding of community-based mental health and developmental disabilities services. The moneys shall be allocated to a county as follows:~~

~~a. Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty~~

1 guideline established by the federal office of
2 management and budget.
3 b. ~~Fifty percent based upon the county's proportion~~
4 ~~of the state's general population.~~
5 2. a. ~~A county shall utilize the funding the~~
6 ~~county receives pursuant to subsection 1 for services~~
7 ~~provided to persons with a disability, as defined in~~
8 ~~section 225C.2. However, no more than 50 percent of~~
9 ~~the funding shall be used for services provided to any~~
10 ~~one of the service populations.~~
11 b. ~~A county shall use at least 50 percent of~~
12 ~~the funding the county receives under subsection 1~~
13 ~~for contemporary services provided to persons with~~
14 ~~a disability, as described in rules adopted by the~~
15 ~~department.~~
16 3. ~~Of the funds appropriated in this section,~~
17 ~~\$23,544 shall be used to support the Iowa compass~~
18 ~~program providing computerized information and referral~~
19 ~~services for Iowans with disabilities and their~~
20 ~~families.~~
21 4. a. ~~Funding appropriated for purposes of the~~
22 ~~federal social services block grant is allocated for~~
23 ~~distribution to counties for local purchase of services~~
24 ~~for persons with mental illness or mental retardation~~
25 ~~or other developmental disability.~~
26 b. ~~The funds allocated in this subsection shall be~~
27 ~~expended by counties in accordance with the county's~~
28 ~~county management plan approved by the board of~~
29 ~~supervisors. A county without an approved county~~
30 ~~management plan shall not receive allocated funds until~~
31 ~~the county's management plan is approved.~~
32 c. ~~The funds provided by this subsection shall be~~
33 ~~allocated to each county as follows:~~
34 (1) ~~Fifty percent based upon the county's~~
35 ~~proportion of the state's population of persons with~~
36 ~~an annual income which is equal to or less than the~~
37 ~~poverty guideline established by the federal office of~~
38 ~~management and budget.~~
39 (2) ~~Fifty percent based upon the amount provided~~
40 ~~to the county for local purchase of services in the~~
41 ~~preceding fiscal year.~~
42 5. ~~A county is eligible for funds under this~~
43 ~~section if the county qualifies for a state payment as~~
44 ~~described in section 331.439.~~
45 6. ~~The most recent population estimates issued by~~
46 ~~the United States bureau of the census shall be applied~~
47 ~~for the population factors utilized in this section.~~
48 Sec. _____. 2011 Iowa Acts, chapter 129, section 154,
49 is amended to read as follows:
50 SEC. 154. MENTAL HEALTH, MENTAL RETARDATION,

1 AND DEVELOPMENTAL DISABILITIES SERVICES PROPERTY
2 TAX RELIEF. Notwithstanding In lieu of the standing
3 appropriation in section 426B.1, subsection 2, for the
4 fiscal year beginning July 1, 2012, and ending June
5 30, 2013, the amount there is appropriated from the
6 general fund of the state pursuant to that provision
7 shall not exceed to the department of human services
8 the following amount or so much thereof as is necessary
9 to be used for the purposes designated:

10 To be credited to the mental health and disability
11 services redesign fund created by this division of this
12 2012 Act:

13 \$ 81,199,911

14 Sec. _____. 2011 Iowa Acts, chapter 129, section 155,
15 is amended to read as follows:

16 SEC. 155. ADULT MH/MR/DD SERVICES ALLOWED GROWTH
17 FUNDING — FY 2012-2013.

18 1. There is appropriated from the general fund of
19 the state to the department of human services for the
20 fiscal year beginning July 1, 2012, and ending June 30,
21 2013, the following amount, or so much thereof as is
22 necessary, to be used for the purpose designated:

23 ~~For distribution to counties of the county mental~~
24 ~~health, mental retardation, and developmental~~
25 ~~disabilities allowed growth factor adjustment for~~
26 ~~fiscal year 2012-2013 as provided in this section in~~
27 ~~lieu of the allowed growth factor provisions of section~~
28 ~~331.438, subsection 2, and section 331.439, subsection~~
29 ~~3, and chapter 426B To be credited to the mental health~~
30 ~~and disability services redesign fund created by this~~
31 ~~division of this 2012 Act:~~

32 \$ 74,697,893

33 2. ~~Of the amount appropriated in this section,~~
34 ~~\$38,000,000 shall be distributed as provided in this~~
35 ~~subsection.~~

36 a. ~~To be eligible to receive a distribution under~~
37 ~~this subsection, a county must meet the following~~
38 ~~requirements:~~

39 (1) ~~The county is levying for the maximum amount~~
40 ~~allowed for the county's mental health, mental~~
41 ~~retardation, and developmental disabilities services~~
42 ~~fund under section 331.424A for taxes due and payable~~
43 ~~in the fiscal year beginning July 1, 2012, or the~~
44 ~~county is levying for at least 90 percent of the~~
45 ~~maximum amount allowed for the county's services fund~~
46 ~~and that levy rate is more than \$2 per \$1,000 of the~~
47 ~~assessed value of all taxable property in the county.~~

48 (2) ~~In the fiscal year beginning July 1, 2010,~~
49 ~~the county's mental health, mental retardation, and~~
50 ~~developmental disabilities services fund ending balance~~

1 under generally accepted accounting principles was
2 equal to or less than 15 percent of the county's actual
3 gross expenditures for that fiscal year.

4 b. The amount of a county's distribution from the
5 allocation made in this subsection shall be determined
6 based upon the county's proportion of the general
7 population of the counties eligible to receive a
8 distribution under this subsection. The most recent
9 population estimates issued by the United States
10 bureau of the census shall be applied in determining
11 population for the purposes of this paragraph.

12 c. The distributions made pursuant to this
13 subsection are subject to the distribution provisions
14 and withholding requirements established in this
15 section for the county mental health, mental
16 retardation, and developmental disabilities allowed
17 growth factor adjustment for the fiscal year beginning
18 July 1, 2012.

19 3. The following amount of the funding appropriated
20 in this section is the allowed growth factor adjustment
21 for fiscal year 2012-2013, and shall be credited to the
22 allowed growth funding pool created in the property tax
23 relief fund and for distribution in accordance with
24 section 426B.5, subsection 1:

25 \$ 36,697,893

26 4. The following formula amounts shall be utilized
27 only to calculate preliminary distribution amounts for
28 the allowed growth factor adjustment for fiscal year
29 2012-2013 under this section by applying the indicated
30 formula provisions to the formula amounts and producing
31 a preliminary distribution total for each county:

32 a. For calculation of a distribution amount for
33 eligible counties from the allowed growth funding pool
34 created in the property tax relief fund in accordance
35 with the requirements in section 426B.5, subsection 1:

36 \$ 49,773,346

37 b. For calculation of a distribution amount for
38 counties from the mental health and developmental
39 disabilities (MH/DD) community services fund
40 in accordance with the formula provided in the
41 appropriation made for the MH/DD community services
42 fund for the fiscal year beginning July 1, 2012:

43 \$ 14,187,556

44 5. a. After applying the applicable statutory
45 distribution formulas to the amounts indicated in
46 subsection 4 for purposes of producing preliminary
47 distribution totals, the department of human services
48 shall apply a withholding factor to adjust an eligible
49 individual county's preliminary distribution total.
50 In order to be eligible for a distribution under

1 this section, a county must be levying 90 percent or
2 more of the maximum amount allowed for the county's
3 mental health, mental retardation, and developmental
4 disabilities services fund under section 331.424A for
5 taxes due and payable in the fiscal year for which the
6 distribution is payable.

7 b. An ending balance percentage for each county
8 shall be determined by expressing the county's ending
9 balance on a modified accrual basis under generally
10 accepted accounting principles for the fiscal year
11 beginning July 1, 2010, in the county's mental health,
12 mental retardation, and developmental disabilities
13 services fund created under section 331.424A, as a
14 percentage of the county's gross expenditures from that
15 fund for that fiscal year. If a county borrowed moneys
16 for purposes of providing services from the county's
17 services fund on or before July 1, 2010, and the
18 county's services fund ending balance for that fiscal
19 year includes the loan proceeds or an amount designated
20 in the county budget to service the loan for the
21 borrowed moneys, those amounts shall not be considered
22 to be part of the county's ending balance for purposes
23 of calculating an ending balance percentage under this
24 subsection.

25 c. For purposes of calculating withholding
26 factors and for ending balance amounts used for other
27 purposes under law, the county ending balances shall
28 be adjusted, using forms developed for this purpose
29 by the county finance committee, to disregard the
30 temporary funding increase provided to the counties
31 for the fiscal year through the federal American
32 Recovery and Reinvestment Act of 2009, Pub. L. No.
33 111-5. In addition, a county may adjust the ending
34 balance amount by rebating to the department all or
35 a portion of the allowed growth and MH/DD services
36 fund moneys the county received for the fiscal year
37 beginning July 1, 2011, in accordance with this Act, or
38 from any other services fund moneys available to the
39 county. The rebate must be remitted to the department
40 on or before June 1, 2012, in order to be counted.
41 The amount rebated by a county shall be subtracted
42 dollar-for-dollar from the county's ending balance
43 amount for the fiscal year beginning July 1, 2010, for
44 purposes of calculating the withholding factor and
45 for other ending balance purposes for the fiscal year
46 beginning July 1, 2012. The rebates received by the
47 department shall be credited to the property tax relief
48 fund and distributed as additional funding for the
49 fiscal year beginning July 1, 2012, in accordance with
50 the formula provisions in this section.

1 d. ~~The withholding factor for a county shall be the~~
2 ~~following applicable percent:~~

3 (1) ~~For an ending balance percentage of less than~~
4 ~~5 percent, a withholding factor of 0 percent. In~~
5 ~~addition, a county that is subject to this lettered~~
6 ~~paragraph shall receive an inflation adjustment equal~~
7 ~~to 3 percent of the gross expenditures reported for the~~
8 ~~county's services fund for the fiscal year.~~

9 (2) ~~For an ending balance percentage of 5 percent~~
10 ~~or more but less than 10 percent, a withholding factor~~
11 ~~of 0 percent. In addition, a county that is subject~~
12 ~~to this lettered paragraph shall receive an inflation~~
13 ~~adjustment equal to 2 percent of the gross expenditures~~
14 ~~reported for the county's services fund for the fiscal~~
15 ~~year.~~

16 (3) ~~For an ending balance percentage of 10 percent~~
17 ~~or more but less than 25 percent, a withholding factor~~
18 ~~of 25 percent. However, for counties with an ending~~
19 ~~balance of 10 percent or more but less than 15 percent,~~
20 ~~the amount withheld shall be limited to the amount by~~
21 ~~which the county's ending balance was in excess of the~~
22 ~~ending balance percentage of 10 percent.~~

23 (4) ~~For an ending balance percentage of 25 percent~~
24 ~~or more, a withholding percentage of 100 percent.~~

25 6. ~~The total withholding amounts applied pursuant~~
26 ~~to subsection 5 shall be equal to a withholding target~~
27 ~~amount of \$13,075,453. If the department of human~~
28 ~~services determines that the amount appropriated~~
29 ~~is insufficient or the amount to be withheld in~~
30 ~~accordance with subsection 5 is not equal to the target~~
31 ~~withholding amount, the department shall adjust the~~
32 ~~withholding factors listed in subsection 5 as necessary~~
33 ~~to achieve the target withholding amount. However, in~~
34 ~~making such adjustments to the withholding factors,~~
35 ~~the department shall strive to minimize changes to the~~
36 ~~withholding factors for those ending balance percentage~~
37 ~~ranges that are lower than others and shall only adjust~~
38 ~~the zero withholding factor or the inflation adjustment~~
39 ~~percentages specified in subsection 5, paragraph "d",~~
40 ~~when the amount appropriated is insufficient.~~

41 Sec. _____. 2012 Iowa Acts, Senate File 2071, section
42 6, subsections 5 and 6, are amended to read as follows:

43 5. If moneys from a distribution made under this
44 section are not expended by a county by ~~November 1,~~
45 ~~2012 June 30, 2013,~~ for services provided ~~prior to July~~
46 ~~1, 2012 by that date,~~ the county shall reimburse the
47 unexpended moneys to the department by ~~November 30,~~
48 ~~2012 August 30, 2013,~~ and the moneys reimbursed shall
49 be credited to the risk pool in the property tax relief
50 fund.

1 6. The risk pool board shall submit ~~a report~~
2 ~~reports~~ to the governor and general assembly on or
3 ~~before~~ December 31, 2012 and 2013, regarding the
4 expenditure of funds distributed under this section.
5 Sec. _____. 2012 Iowa Acts, Senate File 2071, section
6 7, is amended to read as follows:
7 SEC. 7. PROPERTY TAX RELIEF — FY 2012-2013. There
8 is appropriated from the Iowa economic emergency fund
9 to the department of human services for the fiscal
10 year beginning July 1, 2011, and ending June 30,
11 2012, notwithstanding section 8.55, subsection 1, the
12 following amount, or so much thereof as is necessary,
13 to be used for the purposes designated:
14 To be credited to the ~~property tax relief mental~~
15 ~~health and disability services redesign fund to be used~~
16 ~~to restore the amount of the standing appropriation~~
17 ~~made from the general fund of the state in section~~
18 ~~426B.1, subsection 1, for the fiscal year beginning~~
19 ~~July 1, 2012, in the amount of the reduction applied~~
20 ~~pursuant to 2011 Iowa Acts, chapter 129, section 154~~
21 ~~created by this division of this 2012 Act:~~
22 \$ 7,200,089
23 Sec. _____. EFFECTIVE DATE. The following provision
24 or provisions of this division of this Act take effect
25 July 1, 2013, if the amendments to chapter 426B in this
26 Act are enacted:
27 1. The section of this Act amending section 445.5.
28 Sec. _____. EFFECTIVE UPON ENACTMENT. The following
29 provisions of this division of this Act, being deemed
30 of immediate importance, take effect upon enactment:
31 1. The section of this Act relating to replacement
32 generation tax revenues and county levy rates for the
33 fiscal year beginning July 1, 2012.
34 2. The section of this Act creating the mental
35 health and disability services redesign fund.
36 3. The section of this Act amending 2012 Iowa Acts,
37 Senate File 2071, section 7.>>
38 5. Page 21, line 2, after <provisions,> by
39 inserting <making appropriations,>

SCHULTE of Linn